

Congressman

Bart Stupak

Michigan's First Congressional District

Dear Friends:

Spring 1998

Since I wrote you in the fall, the U.S. economy has remained strong, and prospects are good for continued growth. Spurred by the actions of Democratic members of Congress and the president in 1993 and strengthened by the Balanced Budget Agreement approved last summer, the economy continues to outperform predictions. It would have been almost unthinkable a few years ago that members of Congress would be asked to consider addressing the question of what best to do with a budget surplus.

The last time this nation saw a federal budget surplus was in 1969. I was 17 years old! With each following year the annual deficit climbed, reaching about \$75 billion in 1976, passing \$200 billion in 1983, moving close to \$250 billion in 1986, and peaking at about \$300 billion in 1992. Beginning in 1993 deficits began to fall, drastically reduced by the 1993 deficit reduction package and by the surging economy unleashed by the deficit reduction package, combined with government efficiency programs spearheaded by Vice President Al Gore and an absolute reduction in the size of the federal government since 1993. Federal expenses were actually less in January 1998 than they were in January 1997. All signs point toward a federal budget showing a bottom line in black ink in 1998.

There are two major clouds hanging over this rosy economic landscape, however. First, those decades of ever-increasing deficits have helped propel the nation to a \$5 trillion debt. Interest on that debt now consumes approximately 15 cents of every dollar that the federal government takes in.

In addition, as our "baby boomers" retire and leave the work force, future budgets will see a dramatic jump in payment of benefits, large enough to throw future budgets back into deficit. Keeping in mind that financial obligation, we must view the current budget surplus not as a cure but only as a milestone.

How to address this debt and how to address the ever-increasing demand on Social Security payments are two of the most socially significant issues we will attempt to consider in the balance of the 105th Congress. The president has called for use of any surplus to protect Social Security first. Another way would be to use the surplus to reduce the debt. The General Accounting Office has calculated that by dedicating all of the surplus to the debt, together we could lower the national debt by as much as \$2 trillion over the next 15 years, which in turn would lower the annual debt interest payment. Combined with other Social Security protection measures, this would help keep the annual budget in balance as benefit payments increase.

I encourage all residents to follow this debate closely, and I welcome your participation and input.

Sincerely,

Bart Stupak

IRS Reform, Food Safety, Child Care Tax Credit . . .

Protecting innocent spouses

In September I introduced legislation that would ease tax burdens of divorced spouses in those cases where the Internal Revenue Service sought either spouse for the payment of income tax obligations after state courts clearly placed the tax liability on only one of the parties.

The IRS' position is that taxes filed jointly makes both members of the marriage equally liable for all taxes owed during the year, even though divorce settlements many times dictate which spouse shall be responsible for the income tax liability. The IRS has refused to recognize the state divorce decrees.

Hearings were held in Washington that focused on alleged IRS abuses. Problems faced by divorced spouses were among the complaints aired by witnesses at the Senate hearings. We heard stories of liens placed on homes and checking accounts or of the IRS pursuing individuals receiving public assistance payments.

Current tax law also requires a spouse to prove that he or she did not know or had any knowledge that the tax liability of their income was misstated, and that he or she did not benefit from their spouses'

misstatement of tax liability.

I am confident that this legislative proposal will be received with favor in Congress.

In placing this burden of proof on the innocent spouse, already victimized by the tax misrepresentation of their partner, the individual will incur legal costs based on IRS assumptions.

To address this concern, I introduced additional language which protects innocent spouses from IRS abuses. By deleting 1938 tax code language, married couples would continue to file a joint return, and each person would be liable *only* for the amount of taxes assessed for his or her individual income.

I recognized the need for this innocent spouse legislation through casework done in the 1st Congressional District. I have since learned that 250,000 individuals across the nation, 80 percent of them women, are affected by these abusive IRS provisions.

With the memory of the recent tax hearings fresh in the public memory, I am confident that these legislative proposals will be favor-

ably received in Congress.

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Hidden food dangers

One year ago, an outbreak of hepatitis A in a southeastern Michigan school served as a warning that Michigan's location far from Mexico is no protection against the hazard of imported disease-bearing food.

There were 201 cases of hepatitis in the original Calhoun County school outbreak, which was caused by contaminated strawberries from Mexico. The number of cases grew to 324 by November. That, however, was only part of the story.

Consumers are increasingly likely to be exposed to a wide variety of contaminants.

Many of the children made ill by the strawberries have also shown numerous symptoms not associated with hepatitis A. These symptoms have included hair loss, unexplained hive-like rashes, skin loss, recurring respiratory infections, asthma, shingles, urinary tract infections, joint-, back- and muscle pain, and sores in the mouth.

While the symptoms could be caused by infections that have struck victims because of their suppressed immune systems, there are concerns that the strawberries themselves could be the cause. They could be contaminated with almost any viral agent, compound or illegal chemical, and I have asked the Food and Drug Administration to conduct additional tests on these strawberries.



Rep. Bart Stupak, a Commerce Committee member, takes part in a recent subcommittee hearing. Most legislation in the U.S. House, including Stupak's Superfund reform bill and water quality legislation, are scrutinized by at least one subcommittee of the Commerce Committee before going to the full House for approval.

... Are Among Top Issues Facing U.S. Families

While we as a nation should be increasingly vigilant and protective of our food supply, the fact is that this kind of incident is increasing.

On a recent trip to Florida farms, I spoke with growers, with farm laborers who have worked in Mexico, and with state officials who have instituted a simple and cost-effective food labeling program. They all relayed a grim message about Mexican food production using polluted ditch water for irrigation and using pesticides long banned in the U.S.

If this isn't bad enough, the number of trucks rolling across our boarders loaded with fruits, vegetables and meats continues to climb, while the number of border food inspectors has been decreased. The fact is that consumers are increasingly likely to be exposed to a wide variety of contaminants.

While there are many ideas on how to combat this threat, a simple program of labeling food with its country of origin is an essential, economical first step. Consumers need to know where their food was produced and you should make the final choice as to whether you wish to consume foreign or domestically produced food.

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Breast cancer concerns

In addition to hazards from contaminated food supplies, individuals also face a threat from groundwater which has been contaminated with pesticides. This threat stems from the fact that some pesticides may break down into compounds which mimic the hormone estrogen in the human body. Higher exposure to estrogen in women has already been linked to an increased likelihood of breast cancer development.



Rep. Bart Stupak joined House colleagues on Oct. 31 to mark the end of Breast Cancer Awareness Month. The event focused on the need for insurance coverage for extended hospital care and reconstructive surgery and on Stupak's bill calling for the testing of estrogen compounds in drinking water to determine their possible impact on the development of breast cancer.

I have introduced legislation that would modify the Clean Water Act to provide for the testing of pesticides and other chemical substances to determine whether they may mimic estrogen. In this way we can attack the root cause of this disease, which strikes both men and women.

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Help with child care

Statistics don't tell the whole story, but some recently-published

statistics tell us a lot:

- 70 percent of mothers are out in the work force.
- That means that 10 million children under age 5 have mothers that work.
- Five million children are home alone after school.
- Families earning less than \$14,000 per year annually pay one-quarter of their incomes for child care.
- More than one-third of child care workers leave their jobs each year, primarily because of low wages.

The basic outline of a plan to address these issues was charted by the president in his State of the Union speech. Scholarships and background checks would help set - and maintain - a higher standard for child care workers. Tax credits would offer an incentive for businesses to provide quality child care for working parents at their place of employment, and a larger tax credit would assist parents in paying for quality child care.

If the President's plan for child care tax credit is adopted, it would mean that a family of four with an income of \$35,000 and with high child care costs, would no longer pay a single penny of federal income tax.

Did you know . . . ?

Michigan's 1st Congressional District

- Is the second largest congressional district east of the Mississippi.
- Borders three of the five Great Lakes, a foreign country, has two time zones, and has more shoreline than any other congressional district except Alaska.
- Contains 22,765 square miles, roughly 42 percent of the state of Michigan.
- Contains four national Parks: Pictured Rocks, Sleeping Bear Dunes, Isle Royale and Keweenaw National Historic Park.

Schools must be modernized for the 21st Century

The first part of the job: rebuilding schools

One out of every three schools in America needs extensive repair or replacement, according to a recent government study. One-third of all schools were built *before* World War II. It's clear that if we are going to prepare our children for the 21st Century - where the economy will offer the greatest rewards and opportunities to those with educational and technical skills - then we need to modernize our schools.

In its "1998 Report Card for America's Infrastructure," the American Society of Civil Engineers reported that:

- The only infrastructure category in the U.S. to receive an overall failing grade is schools.
- It will cost \$112 billion to repair, renovate, and modernize our existing schools.
- Another \$60 billion over the next decade will be needed for new school construction.

The Majority Party in the U.S. House has not focused on infrastructure needs in education. Instead we have seen efforts to tinker with school funding through the use of school vouchers and block grants for private and parochial schools. These programs do not address the infrastructure needs besetting all schools, and they also threaten key K-12 education priorities, such as Safe and Drug-Free Schools, education technology and teacher training.

An important proposal outlined by the president in his State of the Union speech would provide federal tax credits to pay the interest on \$22 billion in bonds for building and modernizing more than 5,000 public schools. Bond interest payments would be distributed to states to provide bond authority in accordance with each state's plan.

This plan is paid for in the Balanced Budget Act of 1997 and would not tap into the projected budget surplus.

The second part: reducing class size

I support an initiative that is intended to help local school districts hire an additional 100,000 teachers for grades 1-3. The goal of this hiring plan is to reduce the nationwide average class size for grades 1-3 from 22 pupils per teacher to 18.

This is essential, especially in the early grades, in order to help raise the level of student achievement, improve classroom discipline and better ensure that children are receiving the personal attention they deserve.

This initiative would provide \$12.4 billion over seven years and, like school construction and modernization funding, will not cause the federal budget to be out of balance.

Getting in touch with Congressman Stupak

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